
OLR Bill Analysis

SB 803

AN ACT CONCERNING AQUACULTURE JOB GROWTH.

SUMMARY:

This bill allows the agriculture commissioner to:

1. direct to the Shellfish Fund a portion of the payments received from utility companies with projects crossing Long Island Sound;
2. (a) implement a management program to help shellfishermen relocate shellfish when a utility or public structure project impacts their shellfish beds and (b) direct any proceeds from the program to the Shellfish Fund;
3. lease up to 25 acres of shellfish grounds to a new aquaculture license applicant at \$25 per acre; and
4. subject to certain conditions, lease state shellfish grounds at a cost of least \$25 per acre to certain businesses and licensed shellfish shellstock shippers.

The bill, like existing law, requires shellfish ground lessees to make a good faith effort to cultivate and harvest shellfish from the leased area. The bill also prohibits lessees from subleasing, assigning, or transferring the leased area.

EFFECTIVE DATE: Upon passage

SHELLFISH FUND

Utility Company Payments

The law requires the agriculture commissioner to assess the owners of certain facilities with projects that cross Long Island Sound (e.g., electric power lines, gas pipelines, or telecommunications) an annual

fee of 40 cents per linear foot located in Connecticut's jurisdiction. The fee applies to facilities that require either (1) a certificate of environmental compatibility from the Connecticut Siting Council or (2) Federal Energy Regulatory Commission approval.

By law, the commissioner must deposit 25% of the proceeds in the General Fund. Current law requires him to deposit the remaining 75% in the "expand and grow Connecticut agriculture" account, which funds the Connecticut-grown program. The bill instead requires him to deposit the remaining 75% in the "expand and grow Connecticut agriculture" account and the Shellfish Fund. The bill allows the commissioner to determine the portion of the 75% to be deposited in each account.

The law allows the commissioner to use the Shellfish Fund for the state shellfish program. Under the program, the Department of Agriculture may purchase cultch (shell or other material upon which young oysters can fasten), management supplies, material, and spawn oyster stock.

Management Program

By law, utility line or public use structure owners whose projects impact shellfish beds must pay the lessee (shellfishermen) the costs of removing or relocating impacted shellfish. The state or lessee may recover damages incurred because of the installation, construction, or presence of the utility line or public use structure.

This bill authorizes the agriculture commissioner to implement a voluntary, supervised co-management program with lessees to relocate shellfish. Any funds collected as a result of this program must be deposited in the Shellfish Fund.

LEASING SHELLFISH GROUNDS

By law, the agriculture commissioner and towns may lease shellfish beds within their respective jurisdictions for planting and cultivating shellfish. Under current law, the commissioner may, subject to the attorney general's approval, lease the state beds to the highest

responsible bidder for at least \$4 an acre for up to 10 years. Lessees who meet their obligations under the lease are given preference for lease renewals.

The bill, regardless of current law, allows the commissioner to lease state shellfish beds to either a (1) business entity registered with the secretary of the state on or after January 1, 2013 that the commissioner determines is unaffiliated with a licensed shellfish shellstock shipper (i.e., an interstate shellfish harvester and distributor) or (2) licensed shellfish shellstock shipper who has less than 500 acres of leased town or state shellfish grounds.

The bill permits the commissioner to (1) designate which shellfish grounds are for lease and (2) prescribe the lease application. He must lease grounds to the highest responsible bidder for at least \$25 per acre. A business entity or licensed shellfish shellstock shipper can be awarded one lease per bidding process.

COMMITTEE ACTION

Environment Committee

Joint Favorable

Yea 17 Nay 11 (03/04/2013)